



**TESTIMONY BY:**

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**STATE OF HAWAII**  
**DEPARTMENT OF TRANSPORTATION**  
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Thursday, February 3, 2022  
3:00 P.M.  
State Capitol  
Conference Room 016  
VIA VIDEOCONFERENCE

**S.B. 3350**  
**RELATING TO PROCUREMENT**

Senate Committee on Government Operations

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The Department of Transportation (DOT) **opposes** the bill requiring that any procurement change order that increases the contract cost by more than 50% or substantially increases the scope of work be considered a new contract for procurement purposes.

As outlined in the respective bill, setting a hard threshold limits the department's flexibility to address and mitigate unusual circumstances that may arise during the course of the project with appropriate and time-critical action. It is DOT's recommendation that the Head of the Purchasing Agency (HOPA) be responsible for determining if change orders are numerous or costly to the extent that it warrants a solicitation for a new contract.

If a threshold is desired, please consider setting the 50% threshold with the potential for the HOPA to approve any cost exceeding 50%. This will provide flexibility for the department to act when it is in the best interest of the State, and a single point of accountability for these decisions.

Thank you for the opportunity to provide testimony.